



TSXV: ORE, ORE.WT
OTCQX: ORZCF

OREZONE GOLD CORPORATION

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS**

**TO BE HELD ON
JUNE 29, 2020**

May 22, 2020

This Management Information Circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional advisor.

OREZONE GOLD CORPORATION

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an Annual General and Special Meeting (the “**Meeting**”) of the shareholders of Orezone Gold Corporation (the “**Company**”) will be held at the offices of the Company at #910 – 1111 Melville Street, Vancouver, BC, on Monday June 29, 2020 at 9:00 a.m. (PDT) for the following purposes and as more particularly described in the Company’s management information circular dated May 22, 2020 (the “**Circular**”):

1. To receive the audited financial statements of the Company for the fiscal year ended December 31, 2019, together with the auditor’s report thereon.
2. To fix the number of directors at eight and to elect directors of the Company.
3. To appoint auditors for the fiscal year ending December 31, 2020 and to authorize the directors to fix their remuneration.
4. To pass a special resolution changing the province in which the Company’s registered office is situated from Ontario to British Columbia.
5. To approve the Company’s 10% rolling Stock Option Plan.
6. To approve the Company’s Restricted Share Unit Plan.
7. To approve the Company’s Deferred Share Unit Plan.
8. To transact such further or other business as may properly come before the Meeting or any adjournments or postponements thereof.

The Circular accompanies this Notice of Meeting and contains details of matters to be considered at the Meeting. The report of the auditor and the audited financial statements of the Company for the year ended December 31, 2019 with related management’s discussion and analysis can be found under the Company’s profile on SEDAR at www.sedar.com.

As part of its precautionary measures in response to the COVID-19 outbreak, the Company will host a conference call during the Meeting at <https://bit.ly/OrezoneAGM>. The Company strongly recommends that registered shareholders exercise their right to vote by proxy prior to the Meeting either by mail, online or by telephone, following the instructions outlined in the enclosed Circular. The Company also strongly recommends that Registered Shareholders join the Meeting by conference call only. Shareholders joining by conference call will be able to listen to the Meeting but will not be able to vote.

DATED at Vancouver, British Columbia, May 22, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Patrick Downey”

Patrick Downey
Director, President & Chief Executive Officer

IMPORTANT: Shareholders may exercise their rights by attending the meeting or by completing a form of proxy. Should you be unable to attend the meeting in person, kindly complete, date and sign your form of proxy and return it by mail or fax to our transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1 (facsimile numbers: within North America 1-866-249-7775; outside North America 1-416-263-9524); or vote through the Internet following the instructions on the form of proxy. To be valid and acted upon at the Meeting, proxies must be deposited with the transfer agent of the Corporation, namely Computershare Investor Services, to the attention of its Proxy Department, in Toronto, not later than 9:00 a.m. PDT on June 25, 2020 or, if the meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the adjourned Meeting. Your shares will be voted in accordance with your instructions as indicated on the proxy. A Management Information Circular is attached to the present Notice.

OREZONE GOLD CORPORATION

Management Information Circular

Table of Contents

Date of information and currency	1
Solicitation of Proxies	1
Appointment of Proxies	1
Revocation of Proxies	1
Voting of Shares Represented By Proxies	1
Advice to Beneficial Shareholders	2
Record Date	3
Authorized Capital, Voting Shares and Principal Holders	3
Financial Statements	3
Election of the Directors	3
Executive Compensation	6
Director Compensation	10
Securities Authorized for Issuance	11
Stock Option Plan – Annual Approval	12
Restricted Share Unit Plan – Approval	13
Deferred Share Unit Plan – Approval	16
Change in Registered Office	18
Appointment of Auditors	18
Audit Committee	18
Interest of Informed Persons in Material Transactions	18
Additional Information	19
Statement of Corporate Governance Practices and Diversity Requirements	20

DATE OF INFORMATION AND CURRENCY

Unless otherwise stated, the information contained in this management information circular (the “**Circular**”) is as of May 22, 2020.

All dollar amounts referenced herein are in Canadian Dollars (“**CAD**”), unless otherwise specified. The average exchange rate in 2019 for United States Dollars to CAD was CAD\$1.3269 = US\$1.00.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by the management of Orezone Gold Corporation (the “**Company**”) for use at the Annual General and Special Meeting (the “**Meeting**”) of the holders of common shares of the Company to be held at the offices of the Company at #910 – 1111 Melville Street, Vancouver, BC on Monday June 29, 2020 at 9:00 a.m. (PDT), including any adjournment(s) or postponement(s) thereof. **As part of its precautionary measures in response to the COVID-19 outbreak, the Company will host a conference call during the Meeting at <https://bit.ly/OrezoneAGM>. Shareholders joining by conference call will be able to listen to the Meeting but will not be able to vote.**

The solicitation of proxies by management is expected to be primarily by phone and internet and may be supplemented by mail or other personal contact by directors and management of the Company. The cost of solicitation of proxies will be borne directly by the Company.

APPOINTMENT OF PROXIES

As part of its precautionary measures in response to the COVID-19 outbreak, the Company strongly recommends that registered shareholders exercise their right to vote by proxy prior to the Meeting either by mail, online or telephone, following the instructions outlined in the Circular. The Company also strongly recommends that registered shareholders join the Meeting by conference call only.

If your intention is not to be present in person at the Meeting, you are asked to complete and return the enclosed form of proxy. The form of proxy must be dated and executed by a registered shareholder or the attorney of such shareholder, duly authorized in writing, and deposited with **Computershare Investor Services Inc., Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1** no later than 9:00 a.m. PDT on June 25, 2020 or, if the Meeting is adjourned or postponed, no later than 48 hours preceding the date to which the Meeting is adjourned or postponed.

The persons designated in the form of proxy are directors or officers of the Company. **Each shareholder has the right to appoint a person to represent such shareholder at the Meeting, other than the persons designated in the form of proxy. A registered shareholder desiring to appoint some other person to represent such shareholder at the Meeting may do so by striking out the names of the persons designated and by inserting such other person’s name in the blank space provided in the form of proxy or by submitting another appropriate form of proxy. A person acting as proxy need not be a shareholder of the Company.**

REVOCATION OF PROXIES

A shareholder may revoke a proxy: (a) by depositing an instrument in writing executed by the shareholder or by an attorney authorized in writing: (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the chair of the Meeting on the day of the Meeting or an adjournment thereof; or (b) in any other manner permitted by law.

VOTING OF SHARES REPRESENTED BY PROXIES

If the enclosed form of proxy is properly completed and submitted in favour of the persons designated in the printed portion thereof, the shares represented by such form of proxy will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions of the shareholder and where the person whose proxy is solicited specifies a choice with respect to any matter identified therein, the shares shall be voted in accordance with the specification so made. **Where shareholders have not specified in the form of proxy the manner in which the**

designated proxy holders are required to vote the shares represented thereby as to any matter to be voted on, such shares will be voted on any ballot that may be called for in favour of such matter.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to matters other than those identified in the Notice of Meeting, which may properly come before the Meeting. As of the date hereof, management of the Company is not aware that any such amendments, variations, or other matters are to be presented for action at the Meeting. **If any matters which are not now known to management of the Company should properly come before the Meeting, then on any ballot that may be called for, the persons appointed as proxy will vote on such matters in a manner as such persons consider to be proper.**

ADVICE TO BENEFICIAL SHAREHOLDERS

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the intermediary is a participant. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company will distribute copies of the Notice of Meeting, this Circular, and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and intermediaries for onward distribution to Non-Registered Holders. The Company will pay for the cost of intermediaries to deliver the Meeting Materials to Non-Registered Holders who have objected to intermediaries disclosing their beneficial ownership information. Neither the Company nor any of its subsidiaries will reimburse shareholders, nominees or agents for the costs incurred in obtaining authorization to execute forms of proxy from their principals or beneficial owners.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders who have not waived the right to receive the Meeting Materials. These Non-Registered Holders will either: (a) be given a form of proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deliver it to the Transfer Agent as set out above; or (b) more typically, be given a form which, when properly completed and signed by the Non-Registered Holder and returned to the intermediary or its service company, will constitute voting instructions (often called a “voting information form”) which the intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives the form of proxy or voting instruction form wish to vote at the Meeting in person, the Non-Registered Holder should strike out the persons named in the form of proxy and insert the Non-Registered Holder’s name in the blank space provided or following the instructions in the voting instruction form. In either case, Non-Registered Holders should carefully follow the instructions of their intermediary, including those regarding when and where the form of proxy or proxy authorization form is to be delivered.

If you receive either a proxy or a voting instruction form and wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), you should strike out the names of the persons named in the proxy and insert yours (or such other person’s name) in the blank space provided or, in the case of a voting instruction form,

follow the corresponding instructions on the form. **In either case, please carefully follow the instructions of your broker, nominee or other service company.**

RECORD DATE

The Company has set May 25, 2020 as the record date (the “**Record Date**”) for notice of the Meeting and for voting. Only shareholders of the Record Date are entitled to receive notice of and vote at the Meeting, subject to the provisions of the *Canada Business Corporations Act*. Nevertheless, failure to receive the notice does not revoke the shareholder’s right to vote at the Meeting.

AUTHORIZED CAPITAL, VOTING SHARES AND PRINCIPAL HOLDERS

The authorized capital of the Company consists of an unlimited number of common shares, of which 251,147,806 shares are issued and outstanding as at the date hereof. Each issued and outstanding share is entitled to one vote. Only persons who are shareholders of record at 9:00 a.m. PDT on the Record Date will be entitled to attend and vote at the Meeting, in person or by proxy.

As at the date of this Circular, to the knowledge of management and directors of the Company, no persons or companies individually beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the voting rights attached to all outstanding shares other than:

Name	Number of Shares	Percentage of Outstanding Shares
Resource Capital Fund VII LP	50,169,450	19.98%
Sun Valley Gold LLC	26,273,824	10.46%

FINANCIAL STATEMENTS

The audited financial statements of the Company as at and for the fiscal year ended December 31, 2019, together with the auditors’ report thereon, and the accompanying management’s discussion and analysis, were filed on SEDAR on April 1, 2020. The financial statements will be placed before the shareholders at the Meeting. Copies of such statements are available on SEDAR at www.sedar.com and will also be made available at the Meeting.

The form of proxy includes an election to not receive the interim and/or annual financial statements and MD&A for 2020 and subsequent fiscal years.

ELECTION OF THE DIRECTORS

There are presently eight directors of the Company and the board of directors have fixed the number of directors for the time being at eight. Each director elected will hold office until the next annual general meeting or until a successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Company. The Company has adopted a majority voting policy with respect to the election of directors – see Schedule “A”, “Statement of Corporate Governance Practices - Majority Voting Policy” for details.

Management does not contemplate that any nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy have the authority to vote for another nominee at their discretion.

Unless such authority is withheld, the persons named in the accompanying proxy will vote FOR the election of the nominees whose names are set forth below.

The following table sets forth certain information about the persons nominated for election as directors:

Name, Present Position with the Company and Residence	Director Since	Shares Beneficially Owned, Directly or Indirectly or Shares Over Which Control or Direction is Exercised (as of the date of this Circular) ¹
Patrick Downey President, CEO and Director BC, Canada	April 5, 2011	4,461,500
Michael Halvorson ^{3,4} Director (Chairman) AB, Canada	February 24, 2009	4,304,518
Ronald Batt ^{2,3} Director ON, Canada	May 23, 2013	600,000
Joseph Conway ^{5,6} Director ON, Canada	October 13, 2014	633,333
Charles Oliver ^{2,3,4} Director ON, Canada	July 17, 2017	100,000
Stephen Axcell ^{5,6} Director CO, USA	June 28, 2018	-
Kate Harcourt ^{5,6} Director England, United Kingdom	June 28, 2018	30,000
Marco LoCascio ^{2,4} Director NY, USA	June 28, 2018	480,000

1. The information is furnished to the Company by individual directors and is determined in accordance with applicable Canadian securities laws. These figures do not include shares that may be acquired on the exercise of any stock options or warrants held by the respective directors.
2. Member of the Audit Committee (Ronald Batt is the Chair).
3. Member of the Compensation Committee (Michael Halvorson is the Chair).
4. Member of the Corporate Governance and Nominating Committee (Michael Halvorson is the Chair).
5. Member of the Security, Safety, Health & Environment Committee (Joe Conway is the Chair).
6. Member of the Corporate Social Responsibility Committee (Kate Harcourt is the Chair).

A brief biography, including principal occupations for the last five years, of the nominees is below.

Patrick Downey, President, CEO and Director. Mr. Downey has over 30 years of international experience in the resource industry. Mr. Downey held the position of President, Chief Executive Officer and Director of Elgin Mining Inc., Aura Minerals Inc. and previously Viceroy Exploration Ltd. before its acquisition by Yamana Gold Inc. in 2006. He has held numerous senior engineering positions at several large-scale global gold mining operations and has also held operating positions at several mining projects for Anglo American Corporation in South Africa. Mr. Downey was a member of the boards of Claude Resources and Dalradian Resources before their recent successful acquisitions and he is a member of the board of a number of active resource companies. He holds a Bachelor of Science (Hon.) degree in Engineering from Queen's University.

Michael Halvorson, Director (Chairman). Mr. Halvorson has extensive experience as a board member for natural resource companies. Notable past directorships in the mineral exploration and mining sector include Viceroy Exploration Ltd., Western Silver Inc., Novagold Resources Inc., Pediment Gold Corporation, Esperanza Resources Corp., Fission Energy Corp. and Strathmore Minerals Corporation. In addition, in the oil and gas business, he served on the boards of Gentry Resources Ltd. and Novus Energy Inc.

Ronald Batt, Director. Mr. Batt is a Chartered Professional Accountant and a retired Senior Partner with Ernst & Young LLP. Mr. Batt has over 35 years of public accounting experience and for a number of years, managed Ernst

& Young's Ottawa tax practice of over 50 professionals. He has advised many of the largest Ottawa based public companies. Mr. Batt has extensive experience in cross border tax issues, international structures, mergers and acquisitions and other corporate reorganizations. He has advised companies on establishing and implementing the appropriate controls over financial reporting to comply with the rules established by the Canadian and US securities commissions. He has also served on the board of directors of several associations and organizations.

Joseph Conway, Director. Mr. Conway has over 30 years of mining and financial industry experience. During his executive leadership, he has been intimately involved in strategic development including mergers and acquisitions, corporate restructurings and accessing the capital markets for approximately \$1.2 billion in debt and equity. Mr. Conway has held the position of Chief Executive Officer and Executive Vice Chairman of Primero Mining prior to its acquisition by First Majestic Silver Corp in 2018. Mr. Conway was the President and CEO of IAMGOLD Corporation growing the company and its affiliates from a \$50 million joint venture company to a \$6 billion leading intermediate gold producer. He was the President, CEO and Director of Repadre Capital Corporation which merged with IAMGOLD in 2003.

Charles Oliver, Director. Mr. Oliver has over 30 years' experience as an award-winning fund manager. He retired from Sprott Asset Management in 2015 as Lead Portfolio Manager of the Gold and Precious Metals Fund. Prior to that in 2008, Mr. Oliver was at AGF Funds where he was Senior Vice President and Lead Portfolio Manager of a team that managed over \$4 billion in several funds, including their Precious Metals Funds. Mr. Oliver is a former board member of Cabral Gold, Integra Gold (before its acquisition by Eldorado Gold) and Klondex Mines (before its acquisition by Hecla Mining). Mr. Oliver holds HB. Sc. in Geology and is a former Chartered Financial Analyst charterholder.

Stephen Axcell, Director. Mr. Axcell has over 38 years of experience in mining operations management, project management execution, process plant design and construction management. He served as a Senior Vice President for Jacobs, a large professional services company focused on engineering and construction. His experience includes management of large and small projects, complex process facilities in both green-fields and retro-fit (brown fields) with projects in Asia, Africa, USA, Canada, South America, Europe and the Middle East. Prior to rejoining Jacobs in 2012 he worked for the Debswana Diamond Company in Botswana, Africa from 2007 to 2012 as head of projects and Deputy Managing Director managing a large multi-billion-dollar capital project portfolio with responsibility for all technical functions within the company. From 1999 to 2007 Mr. Axcell held several senior positions with Jacobs. Mr. Axcell holds a Bachelor of Science degree in Engineering Minerals Processing and a Business Management Diploma from the University of Witwatersrand.

Kate Harcourt, Director. Ms. Harcourt is a sustainability professional with nearly 30 years of experience, principally in the mining industry. Ms. Harcourt has worked as a member of the owner's team of several mining companies and has extensive project and permitting experience in Africa, including in Guinea, Mali, Central African Republic, Cameroon, DRC and ROC. She worked as director of Health, Safety, Environment, Communities and Security for MagIndustries on their potash project in ROC and has also worked on behalf of Equator Principles signatory financial institutions and the International Finance Corporation. She has been involved in several due diligence processes for high profile projects and in the ESG aspects of project financing. Ms. Harcourt received a BSc Hons, Environmental Science, from Sheffield University and a MSc Environmental Technology, from Imperial College, London, and is a Chartered Environmentalist (CEnv) and a Member of the Institution of Environmental Scientists. Ms. Harcourt is a non-executive Director of Condor Gold plc and Roxgold Inc.

Marco LoCascio, Director. Mr. LoCascio is the Chief Executive Officer of Adia Resources Inc., a private company engaged in exploration for diamonds. Mr. LoCascio is a former portfolio manager at Mason Hill Advisors focusing on precious metals equities. He spent over 11 years with the firm as an analyst and portfolio manager. Mason Hill Advisors is a global, value-oriented investment manager based in New York. Mr. LoCascio received his B.A. in Economics from Amherst College.

Except as noted herein, no proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company. Pursuant to an investor rights agreement entered into by the Company and Resource Capital Fund VII LP ("RCF") in connection with the Company's April 2018 private placement, RCF has the right to designate: (i) two nominees if RCF owns 19.0% or greater of the issued and outstanding shares; and (ii) one nominee if RCF owns greater than 10.0% and less than 19.0% of the issued and

outstanding shares. Mr. Axcell and Ms. Harcourt are director nominees of RCF.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following compensation discussion and analysis provides insight into the compensation that the Company provided to its Chief Executive Officer, Chief Financial Officer and the three most highly compensated executive officers of the Company (the “NEOs”) for the year ended December 31, 2019 (the “2019 Fiscal Year”).

For the 2019 Fiscal Year, the Company had the following NEOs: (i) Patrick Downey, President & CEO; (ii) Peter Tam, CFO; (iii) Pascal Marquis, SVP Exploration; (iv) Louis Archambeault, VP Corporate Development and Strategy; and (v) Ryan Goodman, VP Legal and Administration. Mr. Ian Chang, VP, Projects joined the Company on November 18, 2019 and is not considered a NEO for the purposes of this Circular.

Although the Company achieved many of its stated objectives and progressed on many other fronts with respect to its Bomboré Project, in order to preserve its cash balance, the Company did not provide salary increases or cash bonuses to any NEO for either the 2018 or 2019 Fiscal Year. Furthermore, on May 6, 2020, the Company announced that its senior management team and board voluntarily agreed to a temporary 20% reduction in salaries and fees during the current COVID-19 situation. Senior staff and employees in Burkina Faso have also taken wage reductions during this same period.

Setting Executive Compensation and Compensation Governance

The Company has a Compensation Committee comprised of independent members of the board: Mr. Halvorson (Chair), Mr. Batt and Mr. Oliver. Each member of the Compensation Committee has been in a senior leadership position in various organizations, and in those capacities obtained direct experience relevant to executive compensation and have the skills and experience that enable the Compensation Committee to make decisions on the suitability of the Company’s compensation policies and practices.

A primary function of the Compensation Committee is to assist the board in determining the appropriate level of compensation to pay the NEOs and directors. The Compensation Committee meets at least once per year, or more frequently as required. The Chair of the Compensation Committee reports to the board on its operations at regularly scheduled board meetings. The Compensation Committee also reviews and approves the executive compensation disclosure included in management information circulars. The Compensation Committee is granted open access to information about the Company that is necessary or desirable to fulfill its duties.

Objectives and Elements of Compensation

Objective of Compensation Program

The Company’s compensation program is designed to attract, retain and motivate highly qualified executive officers, while at the same time promoting an alignment of interests between such executive officers and the Company’s shareholders.

The Company is a development mining company and as such is not generating revenues from operations. As a result, the use of traditional performance standards, such as revenue and corporate profitability, are not currently considered by the Compensation Committee to be appropriate in the evaluation of corporate or executive officers’ performance. The compensation of the executive officers is based, in substantial part, on industry compensation practices (including the level of expertise of the officer, length of service to the Company, responsibilities related to the position and the individual’s performance), trends in the mining industry as well as achievement of the Company’s objectives.

In general, the Compensation Committee considers that its compensation program should be relatively simple in concept and that its focus should be balanced between reasonable annual compensation and longer term compensation tied to performance of the Company as a whole (incentive compensation in the form of stock options and cash bonuses where warranted). The Compensation Committee has not established a formal set of benchmarks or performance criteria to be met by the NEO’s, rather, the members of the Compensation Committee use their own assessments of the success (or otherwise) of the Company, to determine, collectively, whether or not the NEO’s are successfully achieving the Company’s

objectives and strategy and whether they have over, or under, performed in that regard. The Compensation Committee has not established any set or formal formula for determining NEO compensation, either as to the amount thereof or the specific mix of compensation elements.

Elements of Compensation Program

The Company's compensation program is comprised of base salary, annual incentive compensation, stock option awards and benefit plans. The Compensation Committee reviews each component of compensation (other than the benefit plans which is standard for its Canadian employees) for each executive officer and makes compensation recommendations to the board. In evaluating each executive officer, the Compensation Committee considers among other things, the recommendations of the CEO. The board reviews the recommendations and has complete discretion over the final amount and composition of each executive officer's compensation.

Base Salary. The primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount of base salary payable to an executive officer is determined primarily by the level of responsibility and the importance of the position to the Company, and the range of salaries offered by comparable companies in a similar stage of development within the mining industry. Base salaries are reviewed annually by the Compensation Committee and recommendations are put forth to the board. To preserve cash, no salary increases were approved for any NEO in 2018 or 2019.

Annual Incentive Compensation. An annual incentive is a discretionary short-term variable element of compensation that may reward an individual for corporate and/or individual performance. The CEO presents recommendations to the Compensation Committee with respect to bonuses (if any) to be awarded to the executive officers (including himself) and to the other employees of the Company (if any). The Compensation Committee evaluates this utilizing the overall subjective assessment process described above, as opposed to any specific formula. The Compensation Committee then makes a determination of the bonuses, if any, to be awarded in respect of the past year and recommends such determination to the board. To preserve cash, no cash bonuses were approved for any NEO in 2018 or 2019.

Option-Based Awards. The grant of stock options to employees is determined by the board from recommendations made by the Compensation Committee. The executive officers also play a role in that they recommend to the Compensation Committee stock option awards for non-executive employees. Individual grants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, the importance of his or her position and contribution to the Company, and previous option grants and exercise prices.

Benefit Plans. The Company provides a benefit package to help ensure the health of its employees. The benefit package also helps to boost morale, increase loyalty and reduce turnover. In addition, the Company believes that its benefit plans improve productivity and reduces absenteeism.

The Company is seeking shareholder approval for its RSU Plan and DSU Plan at the Meeting, which if approved, may form part of the Company's compensation program. Please see "Restricted Share Unit Plan" and "Deferred Share Unit Plan".

Compensation Risks

A misalignment between the Company's vision and corporate objectives and employee performance and decision-making can be a significant risk. To date, the Company has not identified any risks arising from our compensation policies and practices that are reasonably likely to have an adverse material effect on the Company.

The executive team, Compensation Committee and board regularly reviews the Company's compensation policies and practices to manage ongoing motivation and retention and market competitiveness, as well as to encourage responsible and thoughtful decision making by employees that is focused and aligned with the efforts and priorities of the Company and its corporate objectives.

To mitigate compensation policies and practices that could encourage a NEO or individual to take inappropriate or excessive risks, rewards are subject to the approval of the board. In addition, all employees of the Company are also subject to the Company's commitment to ethical business conduct which has been adopted by the board.

The NEOs and the directors are, under the terms of the Company's insider trading policy, prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of shares, including any shares granted as share-based compensation or otherwise held directly or indirectly by a NEO or a director.

Summary Compensation Table

Although the Company achieved many of its stated objectives and progressed on many other fronts with respect to the Bomboré Project, in order to preserve its cash balance, the Company did not provide salary increases or cash bonuses to any NEO for either the 2018 or 2019 Fiscal Year.

The table below sets forth information concerning the annual and long-term compensation earned during the last three fiscal years in respect of the NEOs at December 31, 2019. All amounts are in Canadian dollars.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) ⁵	Non-Equity Incentive Plan Compensation		All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)		
Patrick Downey ¹ President and CEO	2019	300,000	-	190,385	-	-	-	490,385
	2018	300,000	-	215,480	-	-	-	515,480
	2017	250,000	-	733,688	100,000	-	-	1,083,688
Peter Tam ² CFO	2019	270,000	-	88,846	-	-	-	358,846
	2018	223,065	-	322,120	-	-	-	545,185
	2017	-	-	-	-	-	-	-
Pascal Marquis SVP Exploration	2019	270,000	-	88,846	-	-	-	358,846
	2018	270,000	-	131,560	-	-	-	401,560
	2017	270,000	-	146,738	50,000	-	-	466,738
Louis Archambault Corp Dev. & Strategy ³	2019	250,000	-	88,846	-	-	-	338,846
	2018	-	-	-	-	-	-	-
	2017	-	-	-	-	-	-	-
Ryan Goodman VP Legal & Admin ⁴	2019	199,080	-	84,304	-	-	-	283,384
	2018	-	-	-	-	-	-	-
	2017	-	-	-	-	-	-	-

1. Mr. Downey was appointed Executive Chairman on February 1, 2017 with an annual salary of \$200,000. On May 22, 2017 Mr. Downey was appointed President and CEO and his annual salary was adjusted to \$300,000 effective July 1, 2017.
2. Mr. Tam was appointed CFO on March 4, 2018 with a yearly salary of \$270,000.
3. Mr. Archambault was appointed VP Corporate Development and Strategy on January 1, 2019 with a yearly salary of \$250,000.
4. Mr. Goodman was appointed VP Legal & Administration on March 4, 2019 with a yearly salary of \$240,000.
5. The fair value of the option grants is calculated using the Black-Scholes valuation model and are based on weighted average assumptions and estimates. Changes in assumptions can materially affect estimates of fair value. Incentive stock options have a theoretical value however until the option is exercised, and the resulting shares sold at a profit, it has no value that can be realized by the holder.

Incentive Plan Awards

The following table sets forth the Options that are outstanding to NEOs as at December 31, 2019.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Issue Date (yy/mm/dd)	Option Expiration Date (yy/mm/dd)	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)
Patrick Downey President & CEO	175,000	0.30	2016-02-08	2026-02-08	63,000
	1,500,000	0.78	2017-06-23	2027-06-23	-
	100,000	0.81	2018-01-11	2028-01-11	-
	400,000	0.80	2018-07-23	2023-07-23	-
	750,000	0.53	2019-02-21	2024-02-21	97,500
Peter Tam CFO	500,000	0.81	2018-03-04	2028-01-11	-
	200,000	0.80	2018-07-23	2023-07-23	-
	350,000	0.53	2019-02-21	2024-02-21	45,500

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Issue Date (yy/mm/dd)	Option Expiration Date (yy/mm/dd)	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)
Pascal Marquis SVP Exploration	150,000	0.85	2010-07-08	2020-07-08	-
	300,000	0.78	2017-06-23	2027-06-23	-
	100,000	0.81	2018-01-11	2028-01-11	-
	200,000	0.80	2018-07-23	2023-07-23	-
	350,000	0.53	2019-02-21	2024-02-21	45,500
Louis Archambault Corp Dev. & Strategy	350,000	0.53	2019-02-21	2024-02-21	45,500
Ryan Goodman VP Legal & Admin	400,000	0.53	2019-04-17	2024-04-17	52,000

1. The value of unexercised in-the-money options (both vested and unvested) at December 31, 2019 is the difference between the exercise price of the options and the closing market price of the underlying shares on December 31, 2019, which was \$0.66 per common share on the TSXV.
2. With respect to “Incentive Plan Awards – Value Vested or Earned During the Year”, no options vested during the 2019 Fiscal Year that if exercised on the vesting date would have realized value.

Termination and Change of Control Benefits

As at December 31, 2019, the Company had employment agreements containing termination and change of control provisions with each of its NEOs.

For purposes of employment agreements, a “change of control” means: (i) any change in the holding of the shares in the capital of the Company as a result of which an entity or group of entities acting jointly or in concert (whether by means of a shareholder agreement or otherwise) or entities associated or affiliated with any such entity or group within the meaning of the *Business Corporations Act* (Ontario), other than the employee and his respective associates becomes the owner, legal or beneficial, directly or indirectly, of 40% or more of the shares in the capital of the Company or exercises control or direction over 40% or more of the shares in the capital of the Company; or (ii) a sale, lease or other disposition of all or substantially all of the property or assets of the Company (other than to an affiliate which assumes all of the obligations of the Company to the employee including the assumption of the employment agreement); or (iii) a reorganization, amalgamation or merger (or plan of arrangement in connection with any of the foregoing), not approved by the board, other than solely involving the Company and one or more of its affiliates, with respect to which substantially all of the persons who were the beneficial owners of the shares in the capital of the Company immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following any such event, beneficially own, directly or indirectly, more than 40% of the aggregate voting power of all outstanding equity shares of the Company; or (iv) a change in the composition of the board which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholder’s resolution, such that individuals who are members of the board immediately prior to such meeting or resolution cease to constitute a majority of the board, without the board, as constituted immediately prior to such meeting or resolution, having approved of such change.

Under the terms of the employment agreements with the NEOs, no compensation other than compensation earned prior to the date of termination is payable by the Company in the event the employment agreement is terminated for just cause or, voluntarily terminated. If the Company terminates the employment without cause, or in the event of a change of control, the NEO is entitled to receive a lump sum amount equal to:

Name	Without Cause	Change of Control
Patrick Downey, President & CEO	24 months	36 months ¹
Peter Tam, CFO	24 months	24 months ¹
Pascal Marquis, SVP Exploration	24 months	36 months ^{1,2}
Louis Archambault, VP Corp. Dev. & Strategy	12 months	24 months ¹
Ryan Goodman, VP Legal & Administration	12 months	24 months ¹

1. In addition, a cash bonus amount similar to the previous year bonus is payable plus continuation of similar benefits over the period. In the case of Mr. Marquis, a payout amount representing the benefits will be made.

- Mr. Marquis' change of control is effective if he is terminated within 60 days before or within 180 days after a change of control.

The following table sets out the estimated incremental payments to the NEOs in the event of termination without cause or change of control as if such event occurred as of December 31, 2019:

Event	Severance (\$) ⁽¹⁾	Cash Bonus (\$) ⁽²⁾	Benefits (\$) ⁽³⁾	Total (\$)
Termination without cause				
Patrick Downey	600,000	-	-	600,000
Peter Tam	540,000	-	-	540,000
Pascal Marquis	540,000	-	-	540,000
Louis Archambault	250,000	-	-	250,000
Ryan Goodman	240,000	-	-	240,000
Change of control				
Patrick Downey	900,000	-	18,570	918,570
Peter Tam	540,000	-	9,314	549,314
Pascal Marquis	810,000	-	21,146	831,146
Louis Archambault	500,000	-	3,608	503,608
Ryan Goodman	480,000	-	9,314	489,314

- The above severance amounts are calculated on base salary.
- Bonuses to the above NEOs were merited in 2019 but were not awarded to preserve the Company's treasury.
- Benefits due upon termination are estimated on current actual benefit costs.

DIRECTOR COMPENSATION

Directors' fees are recommended by the Compensation Committee based on a review of prevailing market conditions and a comparison to companies with similar lines of business, market capitalization and public stock exchange listings. This recommendation is then subject to the approval of the board. For the 2019 Fiscal Year, annual compensation for directors who are not NEOs consisted of the following elements:

Membership	(\$)
Board Member	
Cash retainer - Chair	50,000
Cash retainer – Member	30,000
Audit Committee Chair additional retainer	10,000
Committee Chair additional retainer (other than the Audit Committee)	5,000
Committee Member retainer	2,500

Directors are also reimbursed for out-of-pocket expenses for attending board and committee meetings or other expenses incurred for Company purposes.

Director Compensation Table

The following table discloses all amounts of compensation provided to the directors who are not NEOs for the 2019 Fiscal Year:

Name	Fees Earned (\$)	Option-Based Awards (\$)	All Other Compensation (\$)	Total (\$)
Michael Halvorson	50,000	76,154	-	126,154
Ronald Batt	42,500	50,769	-	93,269
Joseph Conway	37,500	50,769	-	88,269
Charles Oliver	37,500	50,769	-	88,269
Stephen Axcell	35,000	50,769	-	85,769
Kate Harcourt	37,500	50,769	-	88,269
Marco LoCascio	35,000	50,769	-	85,769

Incentive Plan Awards

The following table discloses outstanding options as at December 31, 2019 for each of the directors who are not NEOs:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Issue Date	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾
Michael Halvorson	175,000	0.30	2016-02-08	2026-02-08	63,000
	300,000	0.78	2017-06-23	2027-06-23	-
	100,000	0.81	2018-01-11	2028-01-11	-
	200,000	0.80	2018-07-23	2023-07-23	-
	300,000	0.53	2019-02-21	2024-02-21	39,000
Ronald Batt	125,000	0.30	2016-02-08	2026-02-08	45,000
	300,000	0.78	2017-06-23	2027-06-23	-
	200,000	0.81	2018-01-11	2028-01-11	-
	200,000	0.80	2018-07-23	2023-07-23	-
	200,000	0.53	2019-02-21	2024-02-21	26,000
Joseph Conway	75,000	0.30	2016-02-08	2026-02-08	27,000
	300,000	0.78	2017-06-23	2027-06-23	-
	200,000	0.80	2018-07-23	2023-07-23	-
	200,000	0.53	2019-02-21	2024-02-21	26,000
Charles Oliver	300,000	0.78	2017-07-17	2027-07-17	-
	200,000	0.80	2018-07-23	2023-07-23	-
	200,000	0.53	2019-02-21	2024-02-21	26,000
Stephen Axcell	300,000	0.80	2018-07-23	2023-07-23	-
	200,000	0.53	2019-02-21	2024-02-21	26,000
Kate Harcourt	300,000	0.80	2018-07-23	2023-07-23	-
	200,000	0.53	2019-02-21	2024-02-21	26,000
Marco LoCascio	200,000	0.53	2019-02-21	2024-02-21	26,000

1. The value of unexercised in-the-money options (both vested and unvested) at December 31, 2019 is the difference between the exercise price of the options and the closing market price of the underlying shares on December 31, 2019, which was \$0.66 per common share on the TSXV.
2. With respect to “Incentive Plan Awards – Value Vested or Earned During the Year”, no options vested during the 2019 Fiscal Year that if exercised on the vesting date would have realized value.

SECURITIES AUTHORIZED FOR ISSUANCE

The following table sets out equity compensation plan information as at December 31, 2019:

	Number of securities to be issued upon exercise of outstanding Options (#)	Weighted-average exercise price of outstanding Options (\$)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by securityholders (2009 Plan and 2016 Plan) ^{1, 2, 3, 4}	16,376,838	0.69	4,960,852

1. As of December 31, 2019, the Company had 213,376,906 shares issued and outstanding.
2. No further options may be issued under the 2009 Option Plan. The 2016 Option Plan was adopted by the Company in connection with the Company’s voluntary move from the TSX to the TSXV and was reapproved by the Company’s shareholders on June 27, 2019.
3. The 2016 Option Plan is a “rolling” stock option plan that reserves up to 10% of the Company’s outstanding shares from time to time for issuance as stock options (up to 10% includes any options issuable under the 2009 Option Plan). Please see “Stock Option Plan – Annual Approval” below for additional details.

4. The Company does not have any equity compensation plans not approved by shareholders. The Company is seeking shareholder approval for its RSU Plan and DSU Plan at the Meeting. Please see “Restricted Share Unit Plan” and “Deferred Share Unit Plan”.

STOCK OPTION PLAN – ANNUAL APPROVAL

Pursuant to Policy 4.4 of the Corporate Finance Manual of the TSXV (the “**Option Policy**”), the Company has adopted a “rolling” stock option plan (the “**2016 Plan**”) that was first approved by the shareholders on June 22, 2016 and most recently re-approved on June 27, 2019. In accordance with the Option Policy, rolling stock option plans must be approved by the shareholders on an annual basis. As at the date of this Circular, 20,750,500 options are issued and outstanding.

The purpose of the 2016 Plan is to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and to closely align the personal interests of such directors, officers and employees with the interests of the Company and its shareholders. Options granted under the 2016 Plan are non-assignable and may be granted for a term not exceeding ten years; however, the Company’s practice is to grant options with a term not exceeding five years.

The Company also maintains the 2009 Stock Option Plan (the “**2009 Plan**” and together with the 2016 Plan, the “**Option Plan**”), which was adopted when the Company was listed on the TSX. No new stock options can be granted under the 2009 Plan. Pursuant to the 2016 Plan and the Option Policy, the number of shares reserved for issuance under the Option Plan may not exceed 10% of the Company’s issued and outstanding shares on a non-diluted basis.

A summary of the material terms of the 2016 Plan follows:

- (a) The 2016 Plan is administered by the board, or if the board so designates, a committee of the board appointed in accordance with the 2016 Plan.
- (b) The maximum number of shares which may be issued under options granted under the 2016 Plan at any given time (including the 2009 Plan), is equivalent to 10% of the then issued and outstanding shares of the Company. Notwithstanding, the combined total number of common shares of the Company issuable pursuant to any grant or award under all security-based compensation plans of the Company may not, at any time, exceed 10% of the then issued and outstanding common shares of the Company.
- (c) Options shall be granted only to directors, employees or consultants of the Company (“**Eligible Participants**”) or to a registered retirement savings plan established and controlled by an Eligible Participant and provided that in each case, the Eligible Participant is an Eligible Participant at the time of the grant.
- (d) Options may not be granted at prices that are less than the Discounted Market Price as defined in the TSXV policies which, subject to certain exceptions, generally means the most recent closing price of the Company’s shares on the TSXV before the date of grant, less a discount ranging from 15% to 25%, depending on the trading value of the shares.
- (e) Subject to the discretion of the board, if any Eligible Participant ceases to be an Eligible Participant, for any reason, other than for cause or death, he or she may exercise any option issued under the 2016 Plan that is then exercisable, but only within the period that is 30 days from the date he or she ceases to be an Eligible Participant.
- (f) Options granted under the 2016 Plan shall not be granted for a term exceeding ten years (the Company’s current policy is to grant options for a term not exceeding five years) subject to the extension for blackout periods.
- (g) An option granted under the 2016 Plan will terminate on the earlier of one year following the death of the optionee and the expiry date of the option; the board may extend the period of time within which an option held by an Eligible Participant who has ceased to be an Eligible Participant may be exercised, but such extension shall not be granted beyond the original expiry date of the option.

- (h) No one person may receive options representing more than 5% of the issued and outstanding shares in any 12-month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the issued and outstanding shares in any 12-month period.
- (i) The board may at any time, and from time to time, and without shareholder approval, amend any provision or terminate the 2016 Plan, that is an amendment to fix typographical errors or amendments to clarify the existing provisions of the 2016 Plan that do not substantively alter the scope, nature and intent of the provisions.
- (j) In the event of a take-over bid the board will have the sole discretion to amend, abridge or otherwise eliminate any vesting terms, conditions or schedule so that despite the other terms of the 2016 Plan, any options granted under the 2016 Plan may be exercised in whole or in part by Eligible Participants so as to permit Eligible Participants to tender the shares received upon the exercise of options pursuant to the offer.
- (k) In the event of a reorganization of the Company or the amalgamation, merger or consolidation of the shares of the Company, the board shall make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

The approval of the shareholders is required in order to approve and confirm the 2016 Plan along with any unallocated options. At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to approve, with or without variation, the following ordinary resolution (the “**Option Resolution**”).

To be adopted, the Option Resolution needs to be approved by a majority of the votes cast at the Meeting by proxy or in person. Management and the board recommend that shareholders vote in favour of the Option Resolution.

If you do not specify how you want your shares voted, the persons named in the accompanying proxy will vote FOR the adoption of the Option Resolution authorizing the approval and confirmation to the Company’s 2016 Plan.

BE IT RESOLVED as an ordinary resolution, that:

1. The 2016 stock option plan (the “**2016 Plan**”), as described in the management information circular of the Company dated May 22, 2020, and any unallocated options or other entitlements thereunder, be and are hereby confirmed, ratified and approved in their entirety.
2. The Company be and is hereby authorized to grant stock options pursuant to and subject to the terms and conditions of the 2016 Plan entitling the option holders to purchase common shares of the Company.
3. The combined total number of common shares of the Company issuable pursuant to any grant or award under all security-based compensation plans of the Company may not, at any time, exceed 10% of the then issued and outstanding common shares of the Company.
4. Any director or officer of the Company is authorized to execute and deliver all other documents and do all other acts and things as may be necessary or desirable to give effect to this resolution.

RESTRICTED SHARE UNIT PLAN – APPROVAL

The Company proposes to adopt an additional share-based compensation plan which would permit the grant of restricted share units of the Company (“**RSUs**”) to certain eligible participants (the “**RSU Plan**”). RSUs are akin to “phantom shares” that track the value of the underlying shares but do not entitle any rights to the actual underlying share until such time as the RSU vests. The board approved the RSU Plan on May 22, 2020 and the Company received conditional acceptance of the RSU Plan from the TSXV, subject to the receipt of disinterested shareholder approval and applicable filing fees.

The purpose of the RSU is to: (a) promote the alignment of interests between directors, officers and employees of the

Company and the shareholders of the Company; (b) assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and of its related entities, (c) provide a compensation system for directors, officers and employees that is reflective of the responsibility, commitment and risk accompanying their management role over the medium term; and (d) allow directors, officers and employees to participate in the success of the Company over the medium term.

A summary of the material terms of the RSU Plan follows:

- (a) RSUs shall be granted only to directors, employees or consultants of the Company (an “**Eligible RSU Person**”) and provided that in each case, the Eligible RSU Person is an Eligible RSU Person at the time of the grant.
- (b) The RSU Plan is administered by the board, or if the board so designates, a committee of the board appointed in accordance with the RSU Plan.
- (c) RSUs granted to an Eligible RSU Person shall vest in accordance with the vesting schedule established by the board at the time of the grant.
- (d) Vested RSUs are paid out on the redemption date (which for Canadian taxpayers shall not exceed December 15th on the third calendar year following the grant date of the RSU) and the Eligible RSU Person shall receive, at the sole discretion of the board:
 - (i) a cash payment equal to the fair market value of such vested RSUs as of the redemption date;
 - (ii) such number of shares issued by the Company, as are equal to the number of such vested RSUs; or
 - (iii) any combination of the foregoing.
- (e) The RSU Plan contains the following restrictions on grants of RSUs:
 - (i) Subject to adjustments as provided in the RSU Plan, the maximum number of shares which may be issued under the RSU Plan is 7,500,000. **Notwithstanding this fixed number, the combined total number of shares issuable pursuant to RSUs, DSUs under the DSU Plan (discussed below) and Options outstanding at any point in time may not exceed 10% of the then issued and outstanding shares of the Company.**
 - (ii) The number of shares (i) issued to insiders of the Company, within any one year period, and (ii) issuable to insiders of the Company, at any time, under the RSU Plan, or when combined with all of the Company’s other security-based compensation arrangements, will not exceed 10% of the issued and outstanding shares.
 - (iii) The number of shares issuable to any individual under any security-based compensation arrangement of the Company shall not, within a one-year period, exceed 5% of the issued and outstanding shares.
 - (iv) The aggregate number of shares issuable to any one consultant under the RSU Plan, together with all other security-based compensation arrangement, shall not, within a one year period, exceed 2% of the number of shares outstanding immediately prior to the grant of any such RSU.
 - (v) No RSUs shall be issuable to individuals and companies retained in investor relations activities.
- (f) In the event of a change in control, the board may accelerate the dates upon which any or all outstanding RSUs shall vest and be redeemed, without regard to whether such RSUs have otherwise vested in accordance with their terms and such acceleration may or may not be conditional upon completion of the change of control event.

- (g) In the event of a reorganization of the Company or the amalgamation, merger or consolidation of the shares of the Company, the board shall make such appropriate provisions for the protection of the rights of the Eligible RSU Person as it may deem advisable.
- (h) The board may, subject to shareholder approval, amend the RSU Plan or the terms of a RSU at any time. Notwithstanding the foregoing, the board is specifically authorized to amend or revise the terms of the RSU Plan or RSUs without obtaining Shareholder approval in the following circumstances:
 - (i) to change the termination or vesting provisions of the RSUs;
 - (ii) other amendments of a technical or housekeeping nature, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein and updating provisions herein to reflect changes in the governing laws, including tax laws, and the TSXV requirements; and
 - (iii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law or the rules of the TSXV.

The approval of the shareholders is required in order to approve the RSU Plan. At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to approve, with or without variation, the following ordinary resolution (the “**RSU Resolution**”).

The maximum number of shares issuable under the RSU Plan is 7,500,000 shares of the Company (2.99% of the current issued and outstanding shares) and the maximum number of shares issuable under the DSU Plan is 2,500,000 shares of the Company (1.00% of the current issued and outstanding shares). **Notwithstanding these fixed numbers, the combined total number of shares issuable pursuant to RSUs, DSUs and Options outstanding at any point in time may not exceed 10% of the then issued and outstanding shares of the Company.**

To be adopted, the RSU Resolution needs to be approved by a majority of the votes cast by disinterested shareholders at the Meeting by proxy or in person. Shares beneficially owned by insiders (and their associates) of the Company will be excluded from voting on the RSU Resolution. Management and the board recommend that shareholders vote in favour of the RSU Resolution.

The Company will, upon request from a shareholder, provide a copy of the RSU Plan.

If you do not specify how you want your shares voted, the persons named in the accompanying proxy will vote FOR the adoption of the RSU Resolution authorizing the approval and confirmation to the Company’s RSU Plan.

BE IT RESOLVED as an ordinary resolution, that:

1. The adoption of the restricted share unit plan (the “**RSU Plan**”) by the Company as described in the management information circular dated May 22, 2020 is hereby authorized, approved and confirmed.
2. The reservation for issue under the RSU Plan of 7,500,000 common shares of the Company pursuant and subject to the terms and conditions of the RSU Plan is hereby authorized, approved and confirmed.
3. The combined total number of common shares of the Company issuable pursuant to any grant or award under all security-based compensation plans of the Company may not, at any time, exceed 10% of the then issued and outstanding common shares of the Company.
4. Any director or officer of the Company is authorized to execute and deliver all other documents and do all other acts and things as may be necessary or desirable to give effect to this resolution.

DEFERRED SHARE UNIT PLAN – APPROVAL

The Company proposes to adopt an additional share-based compensation plan which would permit the grant of deferred share units of the Company (“**DSUs**”) to non-employee directors of the Company (the “**DSU Plan**”). DSUs are akin to “phantom shares” that track the value of the underlying shares but do not entitle any rights to the actual underlying share until such time as the DSU vests. DSUs differ from RSUs in that the DSUs may only be redeemed following the date which such director is no longer a director of the Company. The board approved the DSU Plan on May 22, 2020 and the Company received conditional acceptance of the DSU Plan from the TSXV, subject to the receipt of disinterested shareholder approval and applicable filing fees.

The purpose of the DSU Plan is to promote a greater alignment of interests between the board of directors of the Company and its shareholders.

A summary of the material terms of the DSU Plan follows:

- (a) DSUs shall be granted only to members of the board who are not otherwise an employee of the Company (“**Eligible DSU Person**”) and provided that in each case, the Eligible DSU Person is an Eligible DSU Person at the time of the grant.
- (b) The DSU Plan is administered by the board, or if the board so designates, a committee of the board appointed in accordance with the DSU Plan.
- (c) DSUs granted to an Eligible DSU Person will be fully vested upon being granted unless the board determines otherwise.
- (d) Vested DSUs are paid out on the redemption date and the Eligible DSU Person shall receive, at the sole discretion of the board:
 - (i) a cash payment equal to the fair market value of such vested DSUs as of the separation date (being the date the director ceases services as a director of the Company and is not an employee or officer of the Company);
 - (ii) such number of shares issued by the Company, as are equal to the number of such vested DSUs; or
 - (iii) any combination of the foregoing.

Subject to compliance with applicable US securities laws as detailed in the DSU Plan, the redemption date, in respect of an Eligible DSU Person, means the later of: the third business day after the separation date; and provided the Eligible DSU Person is not a U.S. Director, such later date, if any, as may be agreed in writing between the Company and the Eligible DSU Person before the separation date, provided that such date shall not be permitted to be later than December 15th of the calendar year commencing immediately after the separation date.

- (e) The DSU Plan contains the following restrictions on grants of DSUs:
 - (i) Subject to adjustments as provided in the DSU Plan, the maximum number of shares which may be issued under the DSU Plan is 2,500,000. **Notwithstanding this fixed number, the combined total number of shares issuable pursuant to DSUs, RSUs and Options outstanding at any point in time may not exceed 10% of the then issued and outstanding shares of the Company.**
 - (ii) The number of shares (i) issued to insiders of the Company, within any one year period, and (ii) issuable to insiders of the Company, at any time, under the DSU Plan, or when combined with all of the Company’s other security-based compensation arrangements, will not exceed 10% of the issued and outstanding shares.

- (iii) The number of shares issuable to any individual under any security-based compensation arrangement of the Company shall not, within a one-year period, exceed 2% of the issued and outstanding shares.
- (iv) The aggregate number of shares issuable to any one consultant under the DSU Plan, together with all other security-based compensation arrangement, shall not, within a one-year period, exceed 2% of the number of shares outstanding immediately prior to the grant of any such DSU.
- (f) In the event of a reorganization of the Company or consolidation of the shares of the Company, the board shall make such appropriate provisions for the protection of the rights of the Eligible DSU Person as it may deem advisable.
- (g) The board may, subject to shareholder approval, amend the DSU Plan or the terms of a DSU at any time. Notwithstanding the foregoing, the board is specifically authorized to amend or revise the terms of the DSU Plan or DSUs without obtaining Shareholder approval in the following circumstances:
 - (i) to change the termination or vesting provisions of the DSUs;
 - (ii) other amendments of a technical or housekeeping nature, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein and updating provisions herein to reflect changes in the governing laws, including tax laws, and the TSXV requirements; and
 - (iii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law or the rules of the TSXV.

The approval of the shareholders is required in order to approve the DSU Plan. At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to approve, with or without variation, the following ordinary resolution (the “**DSU Resolution**”).

The maximum number of shares issuable under the DSU Plan is 2,500,000 shares of the Company (1.00% of the current issued and outstanding shares) and the maximum number of shares issuable under the RSU Plan is 7,500,000 shares of the Company (2.99% of the current issued and outstanding shares). **Notwithstanding these fixed numbers, the combined total number of shares issuable pursuant to DSUs, RSUs and Options outstanding at any point in time may not exceed 10% of the then issued and outstanding shares of the Company.**

To be adopted, the DSU Resolution needs to be approved by a majority of the votes cast by disinterested shareholders at the Meeting by proxy or in person. Shares beneficially owned by insiders (and their associates) of the Company will be excluded from voting on the DSU Resolution. Management and the board recommend that shareholders vote in favour of the DSU Resolution.

The Company will, upon request from a shareholder, provide a copy of the DSU Plan.

If you do not specify how you want your shares voted, the persons named in the accompanying proxy will vote FOR the adoption of the DSU Resolution authorizing the approval and confirmation to the Company’s DSU Plan.

BE IT RESOLVED as an ordinary resolution, that:

1. The adoption of the deferred share unit plan (the “**DSU Plan**”) by the Company as described in the management information circular dated May 22, 2020 is hereby authorized, approved and confirmed.
2. The reservation for issue under the DSU Plan of 2,500,000 common shares of the Company and subject to the terms and conditions of the DSU Plan is hereby authorized, approved and confirmed.

3. The combined total number of common shares of the Company issuable pursuant to any grant or award under all security-based compensation plans of the Company may not, at any time, exceed 10% of the then issued and outstanding common shares of the Company.
4. Any director or officer of the Company is authorized to execute and deliver all other documents and do all other acts and things as may be necessary or desirable to give effect to this resolution.

CHANGE IN REGISTERED OFFICE

As the Company's head office is located in Vancouver, British Columbia, the shareholders of the Company will be asked to pass a special resolution to approve the amendment of the Company's articles to change the province in which its registered office is situated from Ontario to British Columbia. At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to approve, with or without variation, the following special resolution (the "**Registered Office Resolution**").

To be adopted, the Registered Office Resolution needs to be approved by not less than two-thirds of the votes cast at the Meeting by proxy or in person. Management and the board recommend that shareholders vote in favour of the Registered Office Resolution.

If you do not specify how you want your shares voted, the persons named in the accompanying proxy will vote FOR the adoption of the Registered Office Resolution

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The amendment to the articles of the Company changing the province in which its registered office is situated from Ontario to British Columbia is hereby ratified, confirmed and approved.
2. Any director or officer of the Company be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director or officer may, in his or her discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution.

APPOINTMENT OF AUDITORS

Management of the Company proposes that Deloitte LLP ("**Deloitte**") be appointed as auditors of the Company until the close of the next annual general meeting of shareholders, and that the directors be authorized to fix their remuneration. Deloitte was initially appointed as auditors of the Company for the fiscal year ended December 31, 2009.

Unless such authority is withheld, the persons named in the accompanying proxy will vote FOR the appointment of Deloitte as auditors of the Company, and FOR authorizing the board to fix their remuneration.

Deloitte will hold office until the close of the next annual general meeting of shareholders or until their successors are appointed.

AUDIT COMMITTEE

Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), issuers are required to provide certain disclosure with respect to their Audit Committee, including the text of the Audit Committee's charter, the composition of the Audit Committee and the fees paid to the external auditor. Please refer to the Company's Annual Information Form for the year ended December 31, 2019 (the "**AIF**") under the heading "Audit Committee Information". A copy of the AIF has been filed on the Company's profile on the SEDAR website (www.sedar.com) and the Company will, upon request from a shareholder, provide a copy of the AIF free of charge.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Circular, no director or executive officer, proposed director of the Company, persons

beneficially owning, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries since the commencement of the Company's most recently completed fiscal year.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Additional financial information is provided in the annual consolidated financial statements of the Company and the notes thereto, the related Management's Discussion and Analysis and the AIF, all for the 2019 Fiscal Year. Copies of this Circular and the documents mentioned above are available on the Company's website (www.orezone.com) and on SEDAR (www.sedar.com).

Additional copies are also available by contacting the Company at 910 – 1111 Melville Street, Vancouver, British Columbia, V6E 3V6, telephone: 778-945-8977 or email: info@orezone.com. The Company may request the payment of reasonable fees if the requesting party is not a shareholder of the Company.

Schedule “A”

STATEMENT OF CORPORATE GOVERNANCE PRACTICES AND DIVERSITY REQUIREMENTS

The following provides information with respect to the disclosure set forth in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* and Section 172.1(1) of the *Canada Business Corporations Act* (the “CBCA”).

Board of Directors

As of the date of this Circular, the board is composed of eight directors. The term of office of each of the present directors expires at the Meeting. Each director elected holds office until the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company and the CBCA.

Board Mandate

The primary responsibility of the board is the development of policies and procedures by which the business and affairs of the Company are managed, and the supervision of management with respect to the implementation and adoption of those policies and procedures. Directors are guided by applicable corporate laws, Canadian regulatory requirements, and the duties and responsibilities agreed to and approved by the board and are accountable to shareholders of the Company. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Company’s business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company’s internal control and management information systems.

All material transactions must be reviewed and approved by the board prior to implementation. Any responsibility that is not delegated to senior management or to a board committee remains the responsibility of the board. The board’s responsibilities include providing guidance to management and reviewing and, if thought fit, approving, the opportunities presented by management. The board relies on management for the identification, analysis and presentation of opportunities, preparation of regular reports, and provision of the support, information and analysis necessary for the board to effectively fulfill its obligations.

Director Independence

The board considers a director to be independent if the director meets the definition of the independence set forth in National Instrument 52-110 *Audit Committees* and if the director has no direct or indirect material relationship with the Company which, in the view of the board, could reasonably be perceived to materially interfere with the exercise of the director’s independent judgement.

The current board is comprised of a majority of independent directors. Of the current directors and proposed nominees, only one, being Patrick Downey, the President and Chief Executive Officer of the Company, is an “insider” or management director and, accordingly is not considered by the board to be independent. The remaining seven directors, being Michael Halvorson, Ronald Batt, Charles Oliver, Joseph Conway, Stephen Axcell, Kate Harcourt and Marco LoCascio are considered by the board to be independent, within the meaning of NI 52-110. Thus, assuming that all the proposed nominees are elected as directors, the board will continue to be composed of a majority of independent directors.

In making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors, including discussions with each director and a review of the resumes of the directors and the corporate relationships and other directorships held by each of them.

The board facilitates its independent supervision over management of the Company by holding periodic meetings of the board to approve various appropriate matters and discuss the business and operations of the Company. The board has free access to the Company’s external auditor and to any of the Company’s executive officers. Directors are expected to attend board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

Directorships

In addition to their positions on the board, as of the date of the Circular, the following directors also serve as directors to the following reporting issuers:

Director	Position	Reporting Issuer
Patrick Downey	Director	Pan Global Resources Inc. (TSXV: PGZ) GFG Resources Inc. (TSXV: GFG)
Joseph Conway	Director	Compass Gold Corp. (TSXV: CVB) Harte Gold Corp. (TSX: HRT)
Stephen Axcell	Director	Excelsior Mining Corp. (TSX: MIN)
Kate Harcourt	Director	Roxgold Inc. (TSX: ROXG) Condor Gold plc (TSX: CCOG & AIM: CNR)

Orientation and Continuing Education

The board does not have formal policies with respect to the orientation and continuing education of directors. New directors are provided with information about the duties and obligations of directors, the business and operations of the Company, technical documentation and material from recent board meetings. There are also opportunities for new and current directors to meet and have discussions with senior management in order to better understand the Company's business.

In addition, management of the Company takes steps to ensure that the directors and officers are regularly updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. Mr. Ryan Goodman, VP Legal and Administration, ensures the Company is compliant with Canadian corporate and securities laws, including the TSXV.

Ethical Business Conduct

The Company's Commitment to Ethical Business Conduct Policy (the "Code") can be viewed on the Company's website or a copy can be obtained by contacting the Company. Each employee is provided a copy of the Code and must read and sign the document. The board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations in all jurisdictions in which the Company conducts business; providing guidance to directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct. The Company has also instituted a "whistleblower" program whereby infractions can be reported to the Chair of the Audit Committee. This policy has been distributed to employees and can be viewed on the Company's website.

Any director or officer that has a material interest in a transaction or agreement that is being considered by the Company is required to declare a conflict of interest and is excluded from voting and from the decision-making process with respect to that issue.

Nomination of Directors

The Company has a Corporate Governance and Nominating Committee (the "CGN Committee") comprised entirely of independent directors: Michael Halvorson (Chair), Marco LoCascio and Charles Oliver. A primary function of the CGN Committee is the recruiting and reviewing potential nominees for directors of the Company to ensure appropriate skill and experience levels. The CGN Committee provides its recommendation to the board and the board reviews and, if found acceptable, approves the recommendation.

The CGN Committee assesses potential board candidates to fill perceived needs on the board for required skills, expertise, independence and other factors. Members of the board and representatives of the mining industry are consulted for possible candidates.

Compensation

A primary function of the Compensation Committee is to assist the board in determining the appropriate level of compensation to pay the Chief Executive Officer, Chief Financial Officer, other executive officers and directors. For a detailed discussion of the steps taken to determine compensation for the directors and executive officers, please see “Executive Compensation” in the Circular.

Other Board Committees

In addition to the Audit Committee, the Compensation Committee, and the CGN Committee, the Company has the following committees:

Security, Safety, Health & Environment Committee: assist the Company and the board in fulfilling their respective obligations relating to safety, health and environmental matters concerning the Company.

Corporate Social Responsibility Committee: assist the Company and the board in fulfilling their respective obligations relating to corporate social responsibility matters concerning the Company.

Assessments

The board, its committees and its individual directors are informally assessed regularly, and at a minimum on an annual basis as to their effectiveness and contribution. The board, with the assistance of the CGN Committee, monitors, assesses and reviews the performance and effectiveness of the board and its individual directors. Assessments are determined by examining a number of factors, including attendance at and participation at meetings, meeting preparedness, ability to communicate ideas clearly and overall contribution to effective board performance.

Majority Voting Policy

The board has adopted a policy providing that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” his or her election as a director will tender his or her resignation to the board promptly following the shareholders’ meeting. The CGN Committee will consider the offer of resignation and will make a recommendation to the board on whether to accept it. The board will make its final decision and announce this decision in a press release within ninety days following the Meeting. A director who tenders his or her resignation pursuant to this policy will not participate in any meeting of the board or the CGN Committee at which the resignation is considered.

Diversity Disclosure

The Company has not adopted a specific policy regarding the identification and nomination of women, Indigenous peoples, persons with disabilities, or members of visible minorities (“designated groups”, as defined in Section 3 of the *Employment Equity Act (Canada)*), as directors or senior management. Notwithstanding, in accordance with the Company’s governance guidelines, in identifying the highest quality directors and executive officers, the board will take into account diversity considerations such as gender, age and ethnicity, with a view to ensuring that the board and the senior management team benefit from a broad range of perspectives and relative experience. The board will consider the representation of women, Indigenous peoples, persons with disabilities, and members of visible minorities when identifying and nominating candidates for the board and filling vacancies in senior management positions. The board will endeavour to foster a broad range of views through diverse gender, age and ethnicity representation. No specific target for such director or executive representation has been established. Due to stage of the development of the Company, it is the board’s view that a balanced set of skills and qualifications is paramount to a mandated target for diversity.

As of the date of this Circular, the Company has one female director and no other women, Indigenous peoples, persons with disabilities, or members of visible minorities on the board or as an executive officer. The Company does however have female representation in management positions.

The Company has not adopted term limits for the directors or other mechanisms of board renewal other than each director is required to be re-elected yearly.



TSXV: ORE, ORE.WT
OTCQX: ORZCF